

## 2019-2024 Strategic Plan Initiatives (DRAFT)

### A. Improve Customer Experience, Affordability and Rate Predictability

We will meet and exceed our customers' expectations of high-quality, socially-responsible, reliable service, improved access to information, more timely communication, and the ability to predict and manage utility costs.

<p>Customer service that is responsive to evolving customer needs and expectations</p>	<ol style="list-style-type: none"> <li><b>Improving Customer service and communication.</b> Improve customer service through the implementation of a 24/7 Customer Relationship Hub. This will expand customer access to information and assistance. Initiative goals include: <ul style="list-style-type: none"> <li>• Shorter caller wait times</li> <li>• Increased first call response</li> <li>• Allow customers to choose their method of interaction, with access to a full range of services</li> <li>• Provide multi-channel and 24/7 communication options so customers can select how and when they interact with City Light</li> <li>• Provide specialized access and services to all customers</li> </ul> </li> <li><b>Managing cost of growth.</b> City Light will study opportunities to manage the rising distribution infrastructure costs associated with the University of Washington and Sound Transit system expansions as well as other urban growth, and to minimize cost burdens for existing customers. City Light will perform a comprehensive analysis of current fees and Departmental policies for new connections and other installation services to determine cost recovery effectiveness, and then modify policies and re-design fees as appropriate.</li> </ol>
<p>Rate predictability and stability for customers while addressing impacts on Utility from revenue volatility, changes in demand</p>	<ol style="list-style-type: none"> <li><b>Rate redesign.</b> City Light will implement a multi-year plan to restructure revenue recovery and rates to better match the cost of service, improve bill transparency, and address revenue volatility. This initiative also includes a research plan to study new rate options to (1) support targeted conservation, electric vehicle adoption and green power objectives, (2) charge for premium services such as network and underground delivery, and (3) ensure integration with evolving energy markets.</li> </ol>
<p>Utility-wide business process improvement program that will reduce growth in costs of operation and capital investment, while enhancing customer service</p>	<ol style="list-style-type: none"> <li><b>Business process improvement program.</b> City Light will deploy strategies to identify and capture opportunities for improved efficiency and reduction in costs on an ongoing basis, both in the delivery of customer services and for internal operations. Initiative goals include: <ul style="list-style-type: none"> <li>• Standardized methodologies</li> <li>• Streamlined processes</li> <li>• Review of current budgets and possible reduction or elimination of programs where appropriate</li> </ul> </li> </ol>

## B. Increase Workforce Investments and Safety Practices

We will build a supportive workplace culture that invests in employee growth and development and emphasizes safety, health, wellness, and emergency preparedness.

A safety, health and wellness culture in the workplace, with shared accountability

5. **Strong safety culture.** Continued work on the Safe Work Environment initiative. Since its implementation, there has been a 23% decrease in injured employees. City Light will implement additional industry best practices to develop a safety, health and wellness roadmap, a robust safety recognition program, and implement systems and tools to achieve safety excellence.

A safe and secure work environment that supports effective operations and employee engagement

6. **Secure, resilient work environment.** City Light will enhance its security, emergency preparedness/disaster recovery programs and improve the resiliency of our facilities and services. Comprehensive assessments for facilities, security and emergency management will allow us to implement best practices in:

- Employee security awareness
- Access and identity management
- Employee emergency preparedness
- Workspace standards
- Incident management and analysis

A sustainable, high-performance workforce

7. **Attract, train and retain.** City Light employs a highly specialized workforce recruited specifically for skills and knowledge of hydro-powered electric utility operations. Nearly 36.2% of employees who perform these functions are currently eligible to retire; that number will grow to 49.7% in the next five years. For this initiative, City Light will:

- Develop a comprehensive succession planning program that includes knowledge transfer strategies
- Build our skilled trades and highly specialized employee pipelines through partnerships with diverse community organizations and educational institutions
- Continue to offer leadership development, professional and technical job skills training based on Utility needs
- Implement comprehensive engagement efforts

## C. Enhance value to customers through organizational performance

We will leverage industry best practices to improve performance, efficiency and reliability of our operations.

Operational technologies that support a more efficient and secure energy grid

8. **Enhanced grid performance and security.** The purpose of this initiative is to systematically upgrade the operation technology (OT) infrastructure and energy grid, including supervisory control and data acquisition (SCADA), for City Light power grid operations. These efforts will increase crew safety and productivity, optimize the operation and efficiency of the existing power grid assets.

9. **Evolving energy markets.** City Light will engage in new energy markets, such as the California Independent System Operator (CAISO) Energy Imbalance Market (EIM), to promote integration of renewable resources in regional energy markets and increase wholesale revenues.

Sustainable generation infrastructure management	<p>10. <b>Preserve Hydroelectric Generation Assets</b> Enhance programs with a strategic focus for multiple areas of generation investment and maintenance including:</p> <ul style="list-style-type: none"> <li>• Long-term planning for hydro assets to ensure investments and maintenance target life extension, asset management best practices, and improvements in operating procedures</li> <li>• Master plans for Skagit and Boundary facilities</li> <li>• Powerhouse automation investments and cyber-security upgrades</li> <li>• Continued improvement to outage management processes</li> </ul>
<p><b>D. Provide strong environmental stewardship and leadership in clean energy solutions</b> We will develop robust and innovative programs to promote the efficient use of clean energy and protect our shared ecosystem.</p>	
Long-term sustainability of the ecosystem and our infrastructure	<p>11. <b>Environmental stewardship.</b> City Light will continue to lead the industry in improving our protection of the ecosystems in which we operate. Specific projects include:</p> <ul style="list-style-type: none"> <li>• Implement the Climate Change Adaptation Plan with particular emphasis on resilience of the distribution grid</li> <li>• Manage vegetation on City Light transmission line right of ways</li> <li>• Continued emphasis on the Environmental Equity program which focuses on the external impacts of City Light’s construction, environmental programs, policies and processes that affect environmental justice communities</li> </ul> <p>12. <b>Relicensing.</b> City Light’s ability to deliver reliable and low-cost power is dependent on our hydro generation resources. License renewal applications for the Skagit River, Newhalem, and South Fork Tolt hydroelectric projects must be filed in 2023, 2025, and 2027, respectively. In addition, the new Boundary License requires that City Light operate a native salmonid hatchery</p>
Innovative programs to expand the efficient use of clean energy	<p>13. <b>Clean, renewable-powered city.</b> City Light is our customers’ most valued and trusted energy management partner, leading our community to a clean energy future. We work with customers and community partners to increase the energy productivity of buildings, equipment and transportation—preserving and extending the benefits of our low cost, carbon neutral electricity system. This initiative includes three programs:</p> <ul style="list-style-type: none"> <li>• Develop Pay for Performance programs to expand the ability to capture cost-effective energy efficiency improvements in the private sector</li> <li>• Expanded efforts to promote electrification of the transportation sector</li> </ul>

	<ul style="list-style-type: none"><li>• Participation in the City's 100% Equitable and Renewable Energy program. This joint program with the City's Office of Sustainability &amp; Environment will develop and implement a roadmap to center racial and social justice in how the City and City Light supports the Seattle Climate Action Plan goal of 100% renewable energy and a path to carbon neutrality.</li></ul>
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